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*Attorneys for Realty Income Corp.*

**IN THE UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

In re  
PG&E CORPORATION  
- and -  
PACIFIC GAS & ELECTRIC  
COMPANY,  
Debtors.

Bankruptcy Case No. 19-30088

(Lead Case)

Chapter 11

**RESERVATION OF RIGHTS OF  
REALTY INCOME CORPORATION  
TO THE DEBTORS' MOTION  
PURSUANT TO 11 U.S.C. § 365(a), FED.  
R. BANKR. P. 6006, AND B.L.R. 6006-1  
FOR AN ORDER APPROVING  
ASSUMPTION OF CERTAIN REAL  
PROPERTY LEASES**

**(“LEASE ASSUMPTION MOTION”)**

- ☐ PG&E Corporation  
☐ Pacific Gas and Electric Company  
☒ Both Debtors

Date: September 24, 2019  
Time: 9:30 a.m.  
Place: Courtroom 17, 16th Floor  
San Francisco, CA 94102

Landlord Realty Income Corporation (“RIC”), by and through its undersigned counsel, hereby files this Reservation of Rights to the Debtors’ Motion Pursuant to 11 U.S.C. § 365(a), Fed. R. Bankr. P. 6006, and B.L.R. 6006-1 for an Order Approving Assumption of Certain Real Property Leases (the “Lease Assumption Motion”), and in support hereof, respectfully states as follows:

Debtors filed their voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code on January 29, 2019. RIC is the owner or agent for the property located at 425 Beck Avenue, Fairfield, California (the "Property"), which Debtor Pacific Gas and Electric Company leases from RIC pursuant to that certain written unexpired Lease Agreement dated December 1, 1983 (including all amendments thereto).

In the Lease Assumption Motion, the Debtors seek an order for approval of the Debtors' assumption of certain nonresidential real property leases and other land-related agreements, authorization for the Debtors to make cure payments and remove liens that were placed on the various properties, and following such payments and removal of liens, barring lessors from asserting any existing default. The Property was identified and included in a schedule of leases with a lien associated thereto (marked as Exhibit B to the Lease Assumption Motion).

RIC is currently unaware of any third-party liens on the Property. However, RIC expects the Debtors to remove any and all such liens by the time of the proposed assumption.

RIC reserves the right to make other objections as may be appropriate, and does not waive and hereby preserves all of its rights, remedies, and arguments with respect to the Property and the treatment of the Property by the Debtors in this matter.

DATED: September 10, 2019

BALLARD SPAHR LLP

By: /s/ Stacy H. Rubin

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